VZCZCXRO3783 PP RUEHRG DE RUEHBR #0943/01 1921249 ZNY CCCCC ZZH P 101249Z JUL 08 FM AMEMBASSY BRASILIA TO RUEHC/SECSTATE WASHDC PRIORITY 2090 INFO RUEHAC/AMEMBASSY ASUNCION PRIORITY 6972 RUEHBO/AMEMBASSY BOGOTA PRIORITY 4667 RUEHBU/AMEMBASSY BUENOS AIRES PRIORITY 5699 RUEHCV/AMEMBASSY CARACAS PRIORITY 4192 RUEHLP/AMEMBASSY LA PAZ PRIORITY 6414 RUEHPE/AMEMBASSY LIMA PRIORITY 3905 RUEHMN/AMEMBASSY MONTEVIDEO PRIORITY 7470 RUEHQT/AMEMBASSY QUITO PRIORITY 2558 RUEHSG/AMEMBASSY SANTIAGO PRIORITY 0490 RUEHRG/AMCONSUL RECIFE PRIORITY 8263 RUEHRI/AMCONSUL RIO DE JANEIRO PRIORITY 6396 RUEHSO/AMCONSUL SAO PAULO PRIORITY 2420 RUEAIIA/CIA WASHDC PRIORITY RHEHNSC/NSC WASHDC PRIORITY RUEKJCS/SECDEF WASHDC PRIORITY

C O N F I D E N T I A L SECTION 01 OF 03 BRASILIA 000943

STPDTS

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TAGS: MARR PREL BR

SUBJECT: BRAZIL: LULA TAKES ON THE FOURTH FLEET

Classified By: Deputy Chief of Mission Lisa Kubiske, reasons 1.4 (B and D).

11. (C) Summary: During the Mercosul Summit in Argentina, President Lula together with other South American leaders, such as Bolivian president Evo Morales and Venezuelan president Chavez, criticized the re-establishment of the Fourth Fleet Chavez, with Lula at his side, called it a "threat" to the region and an attempt to grab the region's natural resources. Lula questioned the U.S.'s intentions, suggesting that it resulted from recent oil discoveries along the Brazilian coast. Brazilian news media is compounding the problem with sensationalist and often inaccurate reporting on the establishment of the Fourth Fleet. Foreign Minister Amorim, upon Lula's request, called Ambassador Sobel in to request more information on the Fourth Fleet and to express his concern that the U.S. had not been as forthcoming as he would have liked. Separately, Vice-President Alencar recommended that the U.S. promptly respond to Lula's comments before another myth relating to U.S. intentions in the region takes hold. End summary.

Despite Media Inaccuracies, Brazil Issues a "Warning"

- 12. (U) The 2 July editions of daily newspapers O Globo, Folha de Sao Paulo and Valor Economico, among the most widely read national newspapers, contained articles with inaccurate facts about the establishment of the Fourth Fleet and reported criticism of it by Venezuela President Hugo Chavez and Brazilian President Lula during the Mercosul Summit in Argentina, with the former calling it a "threat" to countries in the region and a natural resource-grab on the part of the U.S. President Lula suggested that its reactivation was due to Brazil's recent offshore oil discoveries and stated that he had already instructed Foreign Minister Amorim to request explanations from Secretary Rice.
- 13. (U) The articles included a weeks' old quote from Minister Jobim who, on first hearing of the Fleet from the media, responded that "Brazil will not allow the Fourth Fleet to enter and operate within the limits of the (Brazilian) territorial sea. This is not a boast, but a warning. If it enters territorial waters, Brazil will have every right to protest and the U.S. will not want a diplomatic incident. Anyway, the reactivation shows an urgent need to re-equip and

modernize the Brazilian Navy..." Moreover, some of the press articles reported, inaccurately, that the USS George Washington and 11 other vessels will make up the fleet, and Brazilian military analysts are quoted asserting that this is a U.S. move to reaffirm Latin America as its area of influence and to respond to Brazilian efforts to establish a South American Defense Council that would stand outside the U.S. orbit.

14. (U) Negative press coverage of the Fourth Fleet continued into the weekend. Various articles and opinion columns called the establishment of the Fleet an "arrogant" move by the U.S., and a diplomatic blunder. In Jornal do Brasil on 5 July, Senator Cristovam Buarque (Democratic Labor Party, PDT, government coalition; of the Federal District) indicated he had heard from unnamed American "leaders" that the purpose of the Fleet was to "control" governments the U.S. considered unfriedly. (Note: On July 9 Ambassador Sobel met with four senators from the Foreign Relations and National Defense Committee who remained unsatisfied with the explanations Embassy gave and U.S. actions in establishing the Fourth Fleet. A read-out of this meeting will be reported septel. End note.)

"The U.S. Needs to Respond"

15. (C) During Embassy Brasilia's July 2 Fourth of July reception, the Ambassador asked Vice President Alencar, along

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with Brazilian Navy Chief Admiral Moura Neto, about Lula's remarks regarding the Fleet. Neither Alencar nor Moura Neto knew the reasons behind Lula's remarks but noted that now that he had made them the U.S. needed a policy to respond to them. Alencar, who had just made unexpected and effusive public remarks in support of our bilateral relationship, told the Ambassador that "nothing should be allowed to stand in the way of the U.S.-Brazil partnership." Alencar recommended that Secretary Rice place a call to President Lula explaining the purpose of the Fourth Fleet and how it is actually a positive vehicle for improved relations.

Amorim Calls Ambassador Sobel

- 16. (C) On July 3, Foreign Minister Amorim requested Ambassador Sobel meet with him to seek clarification on the Fourth Fleet. Amorim said that President Lula had asked him to contact Secretary Rice, which he was doing through the Ambassador. Amorim stressed Brazil's concerns regarding the Fourth Fleet by going over the sensitivities Brazil has with regard to intrusions on the country's sovereignty. In particular, he noted the case of the alleged American grade school textbook map of the Amazon region that suggests the region would be internationalized. (Note: It is an unfortunate and revealing testament to the perseverance of the myth of American designs on the Amazon that the Brazilian Foreign Minister would reinforce his concern over the Fourth Fleet by citing this long-discredited hoax. We will provide material to Amorim's staff demonstrating that the textbook and the map are forgeries. End note)
- 17. (C) Echoing Lula's comments linking the Fourth Fleet to oil discoveries along the Brazilian coast, Amorim raised his concern over comments, which he suggested had come from U.S. officials, that one of the purposes of the Fleet was to protect strategic resources in the region, to "include oil". (Note: We are not aware of U.S. government officials having made such comments. End note). Referring to the "excellent relations" between our two countries, Amorim said that transparency was essential to maintaining these good relations, and a lack of transparency could be exploited by those seeking to create problems.

- 18. (C) Ambassador Sobel responded by explaining that the Fourth Fleet has no offensive capability, that no ships are permanently assigned to it, that it consists of a planning staff based in Florida, and that it will enhance our capability to do joint exercises, provide disaster relief, and plan peacekeeping operations, among other missions. Furthermore, the Ambassador added, it is intended to demonstrate our commitment to enhancing our partnerships in Latin America. Amorim stopped the Ambassador to clarify: "So this is a fleet without ships?", he asked. The Ambassador assured him it was, and Amorim noted that, although he now understood this was a "virtual" fleet, this was not the impression given, and the "apprehension" was heightened because it is the United States creating the fleet.
- 19. (C) Amorim stressed that this was a politically sensitive issue, and based on friendly and open relations, he was surprised that he had received no communication on this issue from the State Department. When asked about the Fourth Fleet during Mercosul, President Lula turned to Amorim to ask him for guidance, who was forced to reply that he only knew what had appeared in the press. The Ambassador noted that Admiral Stavridis had briefed Admiral Moura Neto and the Brazilian military on the Fourth Fleet, but acknowledged that we had failed to brief the Foreign Ministry. Amorim ended by noting that he would tell President Lula that he had talked to Ambassador Sobel and that the Secretary Rice would be sending comprehensive material on the Fourth Fleet. He stressed that more detailed information and a call from Secretary Rice on this matter would be welcome, adding that he was prepared to reach out to her on the issue.

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Post Public Affairs Response

110. (C) Mission Brazil is in the process of implementing a public relations effort to counteract these stories, and we are reaching out to our government counterparts to do the same. The Mission placed an op-ed on the July 7 edition of daily newspaper O Globo clarifying the Fleet's purpose, and sent a letter to the editor from Admiral Stavridis which was published in Folha de Sao Paulo on July 8, and in Valor Economico and Jornal do Brazil on July 9. We hope to send Brazilian reporters based in Washington and New York to the Fourth Fleet inauguration on July 12. Mission is translating Department of Defense public information materials on the Fleet into Portuguese and preparing information packets for Brazilian defense reporters. And the Ambassador will be prepared to address the issue during three upcoming press roundtables in Brazilian, Rio de Janeiro, and Sao Paulo.

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